



2026:DHC:1735



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Judgment reserved on: 12.02.2026

Judgment pronounced on: 26.02.2026

+ O.M.P.(I) (COMM.) 29/2026 & I.A. 1983/2026 (Permission to File a Lengthy Synopsis and List of Dates)

MAHAJAN IMAGING PVT LTD

.....Petitioner

Through: Mr. Sandeep Sethi, Senior Advocates along with Mr. Varun Shankar, Ms. Ishita Dahiya, Mr. Harsh Rastogi, Mr. Ujjwal Barwal, Mr. Krishna Gambhir, Mr. Naman Maheshwari, Ms. Shreya Sethi and Ms. Riya Kumar, Advocates.

versus

PUSHPAWATI SINGHANIA RESEARCH INSTITUTE & ANR.

.....Respondents

Through: Mr. Rajeev K. Virmani, Senior Advocate with Ms. Ritu Bhalla, Mr. Siddhartha Das, Mr. Himanshu Goel, Mr. Siddharth Gautam, Ms. Shriya Gambhir and Ms. Diva Saigal, Advocates.

CORAM:

HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

JUDGMENT

HARISH VAIDYANATHAN SHANKAR, J.

1. The present petition has been filed under Section 9 of the



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Arbitration and Conciliation Act, 1996¹, seeking the following reliefs:

“.....

- A. Grant an ad-interim injunction on the operation and effect of the Termination Notice dated 02.01.2026 issued by the Respondents, and restrain the Respondents from giving effect to the same or terminating the Radiology Services Agreement dated 02.05.2016 (as amended) in any manner pending final adjudication of the disputes through arbitration;
- B. Direct the parties to maintain status quo with respect to the operation, management, and functioning of the Radiology Department at the Respondent No. 1 Hospital under the Agreement, including uninterrupted access and services by the Petitioner;
- C. Grant a prohibitory ad-interim injunction restraining the Respondents, their agents, assigns, or any persons claiming through them, from creating any third-party rights or interests in the Radiology Department, premises, equipment, or services covered under the Agreement;
- D. Grant a prohibitory ad-interim injunction restraining the Respondents from installing any radiology equipment, or rendering such services within the premises covered under the Agreement;
- E. Direct the Respondents to make the payments to the Petitioner as per the timeline agreed in the Agreement in a transparent and timely manner.
- F. Restrain the Respondents from transferring, removing, alienating, or otherwise dealing with any machinery, equipment, or assets installed and operated by the Petitioner in the Radiology Department at the Respondent No. 1 Hospital.
- G. Grant any other order(s) that this Hon'ble Court deems fit and proper.”

BRIEF FACTS:

2. The Petitioner is a company duly incorporated in India under the Companies Act, 1956, having its registered office at K-18 Hauz Khas Enclave, New Delhi, India. Respondent No. 1 is a company engaged in the healthcare sector, having its registered office at 3, Bahadur Shah Zafar Marg, Link House, New Delhi. Respondent No. 2

¹ A&C Act



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is the Chief Executive Officer of Respondent No.1.

3. On 02.05.2016, the Petitioner and Respondent No.1 executed a **Radiology Services Agreement**² for a period of fifteen (15) years, whereunder the Petitioner was entrusted with the responsibility of establishing, managing and operating the Radiology Department at the hospital premises of Respondent No.1 and was required, *inter alia*, to render radiology services in a competent and uninterrupted manner in compliance with applicable laws, to ensure that the equipment installed met the prescribed standards, and to obtain and maintain the requisite statutory permits and licences.

4. The Agreement was to remain in force until 02.05.2031, subject to termination in accordance with Clause 10 thereof. Clause 10 provides for termination in specified contingencies, including termination on account of a material breach, subject to issuance of written notice and the grant of a cure period of forty-five (45) days. Clause 13 of the Agreement contains the dispute resolution mechanism, requiring the parties to first attempt resolution through mutual discussions and, failing such resolution, to refer the disputes to arbitration.

5. It is stated that after such an arrangement had been continuing for several years, a meeting was convened between the representatives of the parties. In the course of the said meeting, Respondent No.1 conveyed its intention to commence and operate the Radiology Department independently with effect from 01.04.2026.

6. Thereafter, in December 2025, communications were exchanged between the parties concerning various items of

² Agreement



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radiological equipment installed in the Radiology Department, including matters relating to commissioning and de-commissioning of equipment, servicing and maintenance, and compliance with the provisions of the **Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition of Sex Selection) Act, 1994³** and the regulatory framework under the **Atomic Energy Act, 1962⁴**.

7. Pursuant to this, on 02.01.2026, Respondent No.1 issued a **Termination Notice⁵** alleging breaches of contractual and statutory obligations and stating that the Agreement would stand terminated with effect from 02.02.2026.

8. The Petitioner, *vide* its reply dated 08.01.2026 to the Impugned Termination Notice, disputed the validity of said Notice, contending that the Agreement was binding for a fixed tenure of fifteen years and could be terminated only in the event of a contractual breach or by mutual consent of the parties, neither of which had arisen.

9. Alleging violations of contractual obligations under the abovementioned Agreement, the Petitioner has approached this Court by way of the present petition seeking urgent *interim* measures, including *ad-interim* injunctions restraining the operation and effect of the Impugned Termination Notice, maintenance of *status quo* with respect to the Radiology Department, and a prohibitory *ad-interim* injunction restraining the Respondents from creating any third-party rights or installing any radiology equipment at the Hospital.

CONTENTIONS ON BEHALF OF THE PARTIES:

10. Mr. Rajeev K. Virmani, learned Senior Counsel appearing on

³ PC-PNDT Act

⁴ Atomic Energy Act

⁵ Impugned Termination Notice



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behalf of the Respondents, would contend that the prayers sought in the present petition are statutorily barred in view of Section 14(d) of the **Specific Relief Act, 1963**⁶, as it states that a contract which is in its nature determinable cannot be specifically enforced. It would be submitted that Clause 10 of the Agreement renders the Agreement as one that is determinable in nature.

11. Learned Senior Counsel for the Respondents, in furtherance of the aforesaid submission with regard to the determinable nature of the Agreement, would place reliance on the judgment of a Co-ordinate Bench of this Court in **National Highways Authority of India v. HK Toll Road Pvt. Ltd.**⁷ to contend that a contract which provides for termination upon the occurrence of specified contingencies would be regarded as determinable in nature, and once a contract is found to be determinable, an injunction staying such termination would, in effect, amount to enforcement or restoration of the contract, which is impermissible in law.

12. Learned Senior Counsel would further place reliance on the decisions of the Hon'ble Supreme Court in **Indian Oil Corporation Ltd. v. Amritsar Gas Service**⁸ and of this Court in **Rajasthan Breweries Ltd. v. Stroh Brewery Co**⁹, to submit that where a contract is determinable, even if the termination is ultimately found to be illegal, the remedy available to the aggrieved party is to seek compensation for the wrongful termination and not in specific performance of the agreement as between the parties. It would therefore be contended that the present petition, insofar as it seeks to

⁶ SRA

⁷ 2025 SCC OnLine Del 2376

⁸ (1991) 1 SCC 533

⁹ 2000 SCC OnLine Del 481



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restrain or nullify the termination and thereby continue the Agreement, is legally untenable.

13. Learned Senior Counsel for the Respondents would further submit that, in any event, the reliefs sought in the present petition are also barred under Section 14(b) of the SRA inasmuch as the Agreement embodies continuing and reciprocal obligations requiring sustained performance over a period of time. Grant of the reliefs prayed for would necessarily involve constant judicial supervision of such performance, which is impermissible in law. A contract involving continuous duties that the Court cannot supervise is not specifically enforceable.

14. Learned Senior Counsel would further contend that the present petition does not disclose the complete and correct factual matrix leading to the issuance of the Impugned Termination Notice. It would be submitted that the termination was preceded by and founded upon multiple and serious breaches on the part of the Petitioner, *inter alia*, non-compliance with statutory requirements under the PC-PNDT Act and the regulatory framework under the Atomic Energy Act, operation and continued use of equipment which had reached end-of-life and end-of-support status, failure to obtain or update requisite registrations and endorsements in respect of installation and transfer of equipment, engagement of unauthorised service agencies, and disruption of uninterrupted radiology services owing to the non-functioning of critical equipment.

15. Learned Senior Counsel would thus contend that these violations, taken cumulatively, constituted breaches going to the root of the Agreement and justified the action taken by Respondent No.1.

16. **Per contra**, Learned Senior Counsel for the Petitioner would



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submit that the Respondents' reliance on Section 14(d) of the SRA is wholly misconceived. It would be contended that not every contract containing a termination clause is determinable in nature, and to bolster this argument, reliance would be placed by the learned Senior Counsel, on the judgment of the Hon'ble Supreme Court in ***K.S. Manjunath and Others v. Moorasavirappa alias Muttanna Chennappa Batil***¹⁰, particularly paragraphs 62, 64 and 65, wherein the Apex Court has clarified that the determinability of a contract must be assessed with reference to its terms and the nature of rights and obligations flowing therefrom.

17. Learned Senior Counsel for the Petitioner would lay particular emphasis on paragraph 66 read with paragraphs 47 to 51 of the said judgment to submit that a contract is "in its nature determinable" only where it is terminable at the will of a party, without reference to any breach or contingency. The Agreement in the present case confers no such unilateral or no-fault right of termination. Termination is expressly conditioned upon the existence of a material breach and compliance with the contractual cure mechanism. It would therefore be contended that, so long as the Petitioner was ready and willing to perform and no established default existed, the Agreement cannot be characterised as inherently determinable so as to attract the bar under Section 14(d) of SRA.

18. Learned Senior Counsel for the Petitioner would further submit that the Respondents' reliance on Section 14(b) of the SRA is equally misplaced. The interim relief sought does not require this Court to supervise continuous performance or undertake day-to-day monitoring

¹⁰ 2025 SCC OnLine SC 2378



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of reciprocal obligations. The Agreement has operated for nearly nine years without judicial oversight, and the Petitioner merely seeks preservation of the existing contractual framework and enforcement of the negative covenants pending arbitration. Such limited protection does not attract the statutory bar under Section 14(b) of the SRA.

19. Learned Senior Counsel for the Petitioner would contend that the reliance placed on alleged “End-of-Life” communications, temporary downtime of equipment, and supposed irregularities under the PC-PNDT Act and other legal frameworks are wholly misconceived, inasmuch as the equipment remained licensed, duly maintained and compliant, and no adverse order has ever been passed by any competent authority. The allegations, it would be urged, are based on internal audit observations and selective reading of documents, and do not disclose any fundamental violation warranting termination of a long-term commercial contract.

20. Learned Senior Counsel for the Petitioner would further submit that the Impugned Termination Notice is *ex facie* contrary to the contractual mechanism. Even assuming any breach had occurred, the Respondents were mandatorily required under Clause 10.2(a) to issue a notice granting a cure period of forty-five (45) days. No such cure notice was issued. It would therefore be contended that the termination is arbitrary and in breach of the express terms of the Agreement.

21. It would further be submitted that once the foundational requirement of a contractual cure period is disregarded, the termination cannot be sustained in law, and all consequential steps flowing therefrom would stand vitiated.

22. It would also be contended that the entire premise of the Impugned Termination Notice is that the said breaches are incurable



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in nature and the same is a unilateral determination without reference to the contractual framework.

23. Lastly, learned Senior Counsel would submit that the well-established triple test for the grant of an injunction stands satisfied in the present case, with particular emphasis on the irreparable injury that would be caused to the Petitioner in the form of loss of reputation and erosion of goodwill, which are incapable of being adequately compensated by damages or monetary relief and, therefore, necessitate the interference of this Court by way of injunctive protection.

ANALYSIS:

24. This Court has heard the learned Senior Counsel appearing on behalf of the parties and, with their able assistance, has carefully perused the paperbook and other material documents placed on record.

25. At the outset, this Court notes that it is conscious of the limited compass of its jurisdiction under Section 9 of the A&C Act. The power conferred thereunder is interim and protective in nature, intended to preserve the subject matter of the arbitration and to safeguard the efficacy of the arbitral process. At this stage, the Court is required only to examine whether the well-settled parameters governing the grant of interim relief, *namely*, the existence of a *prima facie* case, the balance of convenience, and the likelihood of irreparable injury, stand satisfied for the purposes contemplated under Section 9 of the A&C Act. In ***ArcelorMittal Nippon Steel (India) Ltd. v. Essar Bulk Terminal Ltd.***¹¹, the Hon'ble Supreme Court has expounded upon the contours of such jurisdiction in the following terms:

¹¹ (2022) 1 SCC 712.



“88. Applications for interim relief are inherently applications which are required to be disposed of urgently. Interim relief is granted in aid of final relief. The object is to ensure protection of the property being the subject-matter of arbitration and/or otherwise ensure that the arbitration proceedings do not become infructuous and the arbitral award does not become an award on paper, of no real value.

89. The principles for grant of interim relief are (i) good prima facie case, (ii) balance of convenience in favour of grant of interim relief and (iii) irreparable injury or loss to the applicant for interim relief. Unless applications for interim measures are decided expeditiously, irreparable injury or prejudice may be caused to the party seeking interim relief.

90. It could, therefore, never have been the legislative intent that even after an application under Section 9 is finally heard, relief would have to be declined and the parties be remitted to their remedy under Section 17.

91. When an application has already been taken up for consideration and is in the process of consideration or has already been considered, the question of examining whether remedy under Section 17 is efficacious or not would not arise. The requirement to conduct the exercise arises only when the application is being entertained and/or taken up for consideration. As observed above, there could be numerous reasons which render the remedy under Section 17 inefficacious. To cite an example, the different arbitrators constituting an Arbitral Tribunal could be located at far away places and not in a position to assemble immediately. In such a case, an application for urgent interim relief may have to be entertained by the Court under Section 9(1).”

(emphasis supplied)

26. The Hon’ble Supreme Court, in ***Essar House Pvt. Ltd. v. Arcelor Mittal Nippon Steel India Ltd.***¹², has made some pertinent observations concerning the nature and contours of the jurisdiction of the Court under Section 9 of the A&C Act, which are extracted hereinbelow:

“48. Section 9 of the Arbitration Act confers wide power on the Court to pass orders securing the amount in dispute in arbitration, whether before the commencement of the arbitral proceedings, during the arbitral proceedings or at any time after making of the arbitral award, but before its enforcement in accordance with Section 36 of the Arbitration Act. All that the Court is required to

¹² (2022) 20 SCC 178



see is, whether the applicant for interim measure has a good prima facie case, whether the balance of convenience is in favour of interim relief as prayed for being granted and whether the applicant has approached the court with reasonable expedition

49. Proof of actual attempts to deal with, remove or dispose of the property with a view to defeat or delay the realisation of an impending Arbitral Award is not imperative for grant of relief under Section 9 of the Arbitration Act. A strong possibility of diminution of assets would suffice. To assess the balance of convenience, the Court is required to examine and weigh the consequences of refusal of interim relief to the applicant for interim relief in case of success in the proceedings, against the consequence of grant of the interim relief to the opponent in case the proceedings should ultimately fail.”

27. The principal controversy in the present case turns upon the question whether the Agreement executed between the parties is “in its nature determinable” within the meaning of the SRA, as contemplated under Section 14 thereof. This Court considers it apposite to reproduce Section 14 of the SRA, which reads as follows:

“14. Contracts not specifically enforceable. —The following contracts cannot be specifically enforced, namely: -

- (a) where a party to the contract has obtained substituted performance of contract in accordance with the provisions of section 20;
- (b) a contract, the performance of which involves the performance of a continuous duty which the court cannot supervise;
- (c) a contract which is so dependent on the personal qualifications of the parties that the court cannot enforce specific performance of its material terms; and
- (d) a contract which is in its nature determinable.”

28. Having delineated the statutory contours, it becomes necessary to advert to the termination clause contained in the Agreement, as the issue of determinability must be assessed with reference to the contractual stipulations; accordingly, Clause 10 of the Agreement, which governs termination, is extracted hereinbelow for ready reference:



“10. TERM & TERMINATION

10.1. This Agreement shall be valid and binding between the Parties commencing on the Effective Date and shall remain in force for a period of 15 years from the Effective Date. It is agreed that three months prior to the expiry of the Term, the Parties shall mutually discuss the possibility of extending/renewing the Term of this Agreement.

10.2. Notwithstanding anything contained above, this Agreement may be terminated:

(a) By either Party forthwith upon written notice to the other Party in the event of a material breach of the provisions, including without limitation the representations and warranties of the Parties of this Agreement by any Party hereof ("Breaching Party"), which breach has not been remedied by the Breaching Party within forty five (45) days of receipt of written notice requiring remedy of the such breach:

(b) By either Party forthwith upon written notice to the other Party, if any proceedings under any law relating to insolvency are commenced against the other Party or if any Party makes an application under any such law for being adjudged/declared an insolvent:

(c) Either party may terminate this agreement with mutual consent by giving a 90 day written notice to the other party. MIPL agrees and undertakes to remove itself from the premises on the expiry of the term or on the sooner termination of this agreement.

10.3. The right of either Party to terminate this Agreement will be in addition to any other remedies it may have. All remedies to either Party under this Agreement are cumulative and not alternative and may be enforced successively or concurrently.

10.4 Expiry/termination of this Agreement will be without prejudice to any rights that either Party may have accrued against the other prior to termination.”

29. This Court takes note of the authoritative pronouncement of the Hon’ble Supreme Court in **K.S. Manjunath** (*supra*). The said decision undertakes a detailed contemplation of precedent on the concept of contracts “in their nature determinable” within the meaning of Section 14 of the SRA, and elucidates the principles governing the grant or refusal of specific performance in such cases. For the sake of ready reference, the relevant paragraphs of the judgment are extracted below:



“47. The High Court of Madras in **A Murugan v. Rainbow Foundation Ltd, 2019 SCC OnLine Mad 37961**, had further elaborated on the aspect of determinable contracts. For the purpose of ascertaining determinability, the court bifurcated contracts into several categories: (i) contracts that are unilaterally and inherently revocable or capable of being dissolved such as licenses and partnerships at will; (ii) contracts that are terminable unilaterally on a “without cause” or “no fault” basis; (iii) contracts that are terminable forthwith for cause or that cease to subsist “for cause”, without a provision for remedying the breach; (iv) contracts which are terminable for cause subject to a breach notice being issued and an opportunity to cure the breach being given, and; (v) contracts without a termination clause, which could be terminated for breach of a condition but not a warranty, as per applicable common law principles. The court held that the abovementioned (iii), (iv) and (v) categories of contract are not determinable contracts. The court further observed that although the (iv) and (v) categories are *terminable* yet the same cannot be said to be in nature *determinable*. The relevant observations are as under:

“17. On examining the judgments on Section 21(d) of SRA 1877 and Section 14(c) of the Specific Relief Act, as applicable to this case, i.e. before Act 18 of 2018, I am of the view that Section 14(c) does not mandate that all contracts that could be terminated are not specifically unenforceable. If so, no commercial contract would be specifically enforceable. Instead, Section 14(c) applies to contracts that are by nature determinable and not to all contracts that may be determined. If one were to classify contracts by placing them in categories on the basis of ease of determinability, about five broad categories can be envisaged, which are not necessarily exhaustive. Out of these, undoubtedly, two categories of contract would be considered as determinable by nature and, consequently, not specifically enforceable : (i) contracts that are unilaterally and inherently revocable or capable of being dissolved such as licences and partnerships at will; and (ii) contracts that are terminable unilaterally on “without cause” or “no fault” basis. Contracts that are terminable forthwith for cause or that cease to subsist “for cause” without provision for remedying the breach would constitute a third category. In my view, although the Indian Oil case referred to clause 27 thereof, which provided for termination forthwith “for cause”, the decision turned on clause 28 thereof, which provided for “no fault” termination, as discussed earlier. Thus, the third category of contract is not determinable by nature; nonetheless, the relative ease of determinability may be a relevant factor in deciding whether to grant specific



performance as regards this category. The fourth category would be of contracts that are terminable for cause subject to a breach notice and an opportunity to cure the breach and the fifth category would be contracts without a termination clause, which could be terminated for breach of a condition but not a warranty as per applicable common law principles. The said fourth and fifth categories of contract would, certainly, not be determinable in nature although they could be terminated under specific circumstances. Needless to say, the rationale for Section 14(c) is that the grant of specific performance of contracts that are by nature determinable would be an empty formality and the effectiveness of the order could be nullified by subsequent termination.”

(Emphasis Supplied)

48. In *Narendra Hirawat & Co. v. Sholay Media Entertainment Pvt. Ltd.*, 2020 SCC OnLine Bom 391, the Bombay High Court observed that the phrase “a contract which is in its nature determinable” would mean a contract which is determinable at the sweet will of a party to it, without reference to the other party or without reference to any breach committed by the other party or without any eventuality or circumstance. In other words, the phrase would contemplate a *unilateral right* in a party to a contract to determine the contract without assigning any reason. The relevant observation is as under:

49. The Delhi High Court in *DLF Home Developers Limited v. Shipra Estate Limited*, 2021 SCC OnLine Del 4902, while considering an agreement to sell a property held that the question whether a contract is in its nature determinable must be answered by ascertaining whether the party against whom it is sought to be enforced would otherwise have the *right to terminate or determine* the contract when the other party is willing to perform and is not in default. In other words, where a contract cannot be terminated so long as the other party remains willing to perform its part, such a contract is not determinable and, in equity, is specifically enforceable. The relevant observation is as under:

“78. Section 14 of the Specific Relief Act, 1963 sets out certain classes of contracts that are not specifically enforceable. One such class of contracts comprises of contracts, which are in their nature determinable. Clause (d) of Section 21 of the Specific Relief Act, 1877 expressly provided that contracts which are in their nature ‘revocable’ are unenforceable. The said statute was repealed and replaced by the Specific Relief Act, 1963. Clause (c) of Section 14(1) of the Specific Relief Act, 1963, as was in force prior to Specific Relief Act, 1877, expressly provided that contracts, which are in the nature



determinable, were not specifically enforceable. The word 'revocable' as used in Clause (d) of Section 21 of the Specific Relief Act, 1877 was replaced by the word 'determinable'. The rationale for excluding such contracts, which are in their nature determinable, from the ambit of those contracts which may be specifically enforced, is apparent. There would be little purpose in granting the relief of specific performance of a contract, which the parties were entitled to terminate or otherwise determine. The relief of specific performance is an equitable relief. It is founded on the principle that the parties to a contract must be entitled to the benefits from the contracts entered into by them. However, if the terms or the nature of that contract entitles the parties to terminate the contract, there would be little purpose in directing specific performance of that contract. Plainly, no such relief can be granted in equity.

79. Viewed in the aforesaid perspective, it is at once apparent that the contract is in its nature determinable if the same can be terminated or its specific performance can be avoided by the parties. Thus, contracts that can be terminated by the parties at will or are in respect of relationships, which either party can terminate; would be contracts that in their nature are determinable. If a party can repudiate the contract at its will, it is obvious that the same cannot be enforced against the said party.

80. However, if a party cannot terminate the contract as long as the other party is willing to perform its obligations, the contract cannot be considered as determinable and it would, in equity, be liable to be enforced against a party that fails to perform the same. Almost all contracts can be terminated by a party if the other party fails to perform its obligations. Such a contract cannot be stated to be determinable solely because it can be terminated by a party if the other party is in breach of its obligations. The party who is not in default would, in equity, be entitled to seek performance of that contract. In such cases, it cannot be an answer to the non-defaulting party's claim that the other party could avoid the contract of the party seeking specific performance, had breached the contract; therefore, the same is not specifically enforceable. Thus, the question whether a contract is in its nature determinable, must be answered by ascertaining whether the party against whom it is sought to be enforced would otherwise have the right to terminate or determine the contract even though the other party are ready and willing to perform the contract and are not in default.



81. The contention advanced on behalf of Indiabulls that the ATS is in its nature determinable as Indiabulls could terminate it on failure of the other parties to perform their obligations is, plainly, unmerited. This contention is premised on the basis that Indiabulls is correct in its assumption that the other parties had breached the terms of their obligation. Concededly, if the other parties were ready and willing to fully perform their obligations, Indiabulls would not have any recourse to the termination clause. Such recourse is contingent on the failure of the other parties to perform the contract. It cannot be stated that the contract by its very nature is not specifically enforceable because it entitles a party to terminate the contract if the other parties have failed to perform their obligations.

xxx xxx xxx

94. The question whether the contract by its very nature is determinable is required to be answered by ascertaining the nature of the contract. Contracts of agency, partnerships, contracts to provide service, employment contracts, contracts of personal service, contracts where the standards of performance are subjective, contracts that require a high degree of supervision to enforce, and contracts in perpetuity are, subject to exceptions, in their nature determinable. These contracts can be terminated by either party by a reasonable notice.

(Emphasis Supplied)

50. In *Affordable Infrastructure & Housing Projects (P) Ltd. v. Segrow Bio Technics India (P) Ltd.*, 2022 SCC OnLine Del 4436, the lease deed provided for a termination clause. Under the termination clause, the respondent had an option to terminate the lease deed by serving a 15 days' written notice in case the petitioner failed to make the payment for two consecutive months. The Delhi High Court on the strength of ***DLF Home*** (supra) observed that almost all contracts can be terminated by a party, if the other party fails to perform its obligations and that such contracts cannot be stated to be determinable solely because it can be terminated by a party if the other party is in breach of an obligation. The non-defaulting party would in equity be entitled to seek performance of that contract. The court held that the question whether a contract is in its nature determinable must be answered by ascertaining whether the party against whom it is sought to be enforced would otherwise have a right to terminate or determine the contract even though the other party is ready and willing to perform the contract and is not in default. The relevant observation is as under:

“37. The law as stated above mandates against grant of stay against Termination Notice in respect of the



Contracts which are determinable. The petitioner has relied upon DLF Home Developers Limited v. Shipra Estate Limited, (2022) 286 DLT 100, wherein it was observed that a party cannot terminate the Contract so long as the other party is willing to perform its obligations. The Contract cannot be considered as determinable as it would in equity be liable to be enforced against a party that fails to perform the same. Almost all Contracts can be terminated by a party, if the other party fails to perform its obligations. Such a Contract cannot be stated to be determinable solely because it can be terminated by a party if the other party is in breach of the obligations. The party who is not in default would in equity be entitled to seek performance of that Contract. In such cases, it cannot be an answer to a non-defaulting party's claim that the other party could avoid the Contract of the party seeking specific performance and the same is not specifically enforceable. Thus, the question whether the Contract is in its nature determinable must be answered by ascertaining whether the party against whom it is sought to be enforced would otherwise have a right to terminate or determine the Contract even though the other party is ready and willing to perform the Contract and is not in default.

(Emphasis Supplied)

51. The Bombay High Court in ***Kheoni Ventures (P) Ltd. v. Rozeus Airport Retail Ltd.***, (2024) 2 HCC (Bom) 60, also observed that in order to arrive at a conclusion whether a contract is determinable or not, it is to be ascertained whether the parties have a *right to terminate* it on their own, without the stipulation of any contingency and without assigning any reason. The relevant observation is as under:

"11. In order to infer whether a contract is determinable or otherwise, it is to be ascertained, whether the parties have a right to terminate it on their own, without stipulation of any contingency and without assigning any reason. An inherently determinable contract would permit either party to terminate it without assigning any reason and merely by indicating, that the contract shall come to an end, either by giving a notice for specified period, if stipulated or even without such a notice."

(Emphasis Supplied)

62. Since in principle unilateral termination of the contract is impermissible except where the agreement is determinable within the meaning of Section 14 of Act of 1963, it also becomes necessary, at this juncture, to examine whether the ATS dated 28.04.2000 was in its nature determinable. This question requires



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to be answered on a scrutiny of the terms of the ATS and the nature of the rights and obligations flowing therefrom.

64. In this backdrop, it would be useful to advert to the classification set out in **A. Murugan** (supra), wherein the Madras High Court categorised contracts into five broad classes depending on their ease of determinability. Out of those, the first two i.e., (i) contracts inherently revocable such as licences and partnerships at will, and (ii) contracts terminable unilaterally on a “without-cause” basis, were held to be determinable in nature. The remaining classes, namely, (iii) contracts terminable for cause without provision for cure, (iv) contracts terminable for cause with notice and opportunity to cure, and (v) contracts without a termination clause but terminable only for breach of a condition, were all held not determinable in nature.

65. Further, as laid down in **DLF Home** (supra), the question whether a contract is in its nature determinable lies in ascertaining whether the party against whom specific performance is sought has the right to terminate the contract even when the other party is ready and willing to perform. This means if the contract cannot be terminated so long as the other party stands willing to perform, it is not determinable in its nature and would, in equity, be specifically enforceable. The same reasoning was followed in **Affordable Infrastructure** (supra), where it was held that a contract terminable for breach cannot merely for that reason be regarded as determinable, otherwise, no contract could ever be specifically enforced.

66. Applying these principles, the ATS in the present case cannot be said to be a determinable contract. Viewed in light of the classification as set out in **A. Murugan** (supra), the ATS would squarely fall within category (v) as mentioned above. The ATS was devoid of any clause enabling termination for convenience or otherwise empowering either party to terminate unilaterally. The only conceivable circumstance in which ATS could be brought to an end in the present case was upon a breach of a condition by either of the parties. Thus, the original vendors did not possess any contractual right to terminate the ATS in the absence of default by the original vendees. The grounds cited in the notice of termination dated 10.03.2003, namely, the subsistence of a status quo order and the death of one of the original vendors cannot be said to be based on any default or breach by the original vendees. The original vendees had performed their part by paying a substantial amount and were also ready and willing to perform the terms of ATS.”

(emphasis supplied)

30. It would suffice to observe that in paragraph 64 of the aforesaid judgement, the Hon’ble Supreme Court has clearly delineated various



classes of contracts on the basis of the nature and manner of their determinability. The Apex Court, approving the classification adopted by the Madras High Court in *A Murugan v. Rainbow Foundation Ltd*¹³, has clarified that contracts which are inherently revocable, such as licences and partnerships at will, or those which are terminable unilaterally on a “without cause” or “no fault” basis, would fall within the ambit of Section 14(d) of the SRA, being determinable in nature.

31. In contradistinction, contracts which are terminable only for cause, particularly where termination is conditioned upon the existence of a breach and is subject to issuance of notice and affording an opportunity to cure, do not fall within the category of contracts that are determinable by their very nature.

32. Tested on the anvil of the aforesaid principles, Clause 10.2(a) of the present Agreement does not confer an unfettered, unilateral, or at-will right of termination. The right to terminate is expressly contingent upon the occurrence of a material breach and is further circumscribed by the mandatory requirement of issuance of a written notice granting a cure period of forty-five (45) days. The contractual stipulation thus squarely falls within the fourth category identified in paragraph 64 of *K.S. Manjunath (supra)*, namely, contracts terminable for cause subject to notice and opportunity to cure, which have been held not to be determinable in nature.

33. This Court also takes note of the judgment of this Court in *HK Toll (supra)*, which, after considering a catena of authorities, explains the scope of the statutory embargo contained in Section 14(d) of the SRA and underscores that the determinability of a contract must be

¹³ 2019 SCC OnLine Mad 37961



examined in light of the termination stipulations agreed between the parties. The reasoning adopted therein emphasizes that where termination is conditioned upon specific contingencies or breaches, and is not exercisable at the mere will of a party, the contract cannot *ipso facto* be regarded as determinable in nature.

34. The above exposition, read holistically, clarifies that the question whether a contract is “in its nature determinable” must necessarily be answered with reference to the termination mechanism embodied in the contract and the extent of the power reserved to the parties thereunder. Where a contract envisages termination only upon the occurrence of specified contingencies, particularly subject to notice and cure provisions, and does not confer an unfettered right of revocation, such a contract cannot be characterised as determinable in the sense contemplated under Section 14(d) of the SRA.

35. Clause 10 of the Agreement in the present case provides for termination strictly upon the occurrence of defined contingencies and subject to compliance with a stipulated cure period. It does not vest either party with an unqualified or at-will power of termination. The issue of determinability must, therefore, be examined within that contractual framework, and not divorced from the express stipulations mutually agreed upon by the parties.

36. This Court finds merit in the submissions advanced by the learned Senior Counsel for the Petitioner and is of the considered opinion that the termination clause embodied in Clause 10 of the Agreement is not in its nature determinable within the meaning of Section 14(d) of the SRA. The mere existence of such a clause, particularly one conditioned upon the occurrence of breach and compliance with a cure mechanism, cannot operate as a statutory



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embargo against consideration of interim protection. Consequently, the bar under Section 14(d) of SRA is not attracted so as to preclude the grant of interim relief against the Impugned Termination Notice.

37. Insofar as the objection founded upon Section 14(b) of SRA is concerned, this Court is unable to accept the same. Section 14(b) of SRA proscribes specific performance of a contract, the performance of which involves a continuous duty that the Court cannot supervise. The emphasis is on the nature of the obligation and the impracticability of judicial supervision over its execution.

38. In the present case, Clause 10 of the Agreement does not contemplate the enforcement of any continuous or minute operational obligations requiring constant oversight by the Court. The relief sought is confined to protection against termination pending arbitral adjudication. A bare perusal of the Agreement itself delineates the respective rights and obligations of the parties and does not require the Court to regulate day-to-day performance or assume managerial control over the arrangement.

39. To this Court's mind, the bar as contemplated under Section 14(b) of SRA would arise only where the Court is compelled to remain in *seisin* of the matter and supervise the ongoing execution of reciprocal duties. No such situation is presented here. Accordingly, the bar under Section 14(b) of SRA is not attracted.

40. As respects the rival submissions touching upon the validity or otherwise of the Impugned Termination Notice are concerned, the same traverse into the merits of the underlying disputes between the parties. Nevertheless, for the sake of completeness and convenience, this Court considers it appropriate to reproduce herein the tabular statement filed along with the Rejoinder by the Petitioner, which is



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extracted as follows:

RADIOLOGY EQUIPMENT	ALLEGATIONS RAISED VIDE REPLY DATED 30.01.2026	RESPONSE	DOCUMENT
Philips RES MX16 - CT Scan	8(a) @ Pg. 11: 11-year delay in intimation of CT Scan Machine to Respondents the (DOCUMENT R-3; Page 110@ 112).	The said CT Machine was being run prior Petitioner entering to the into the RSA dated 02.05.2016. The Petitioner took over the machine when it entered into the RSA. The license issued by the Competent Authority which is valid till 05.11.2026, thus on examination of the date of end of life as stated in the letter dated 1.08.2025, it is clear that that as per the statutory authority the equipment is safe to use. As per rule 3 of the Atomic Energy Rules, no person shall operate any radiation generation equipment without the license, therefore licence has been given by the AERB after confirming itself that equipment it safe to use till 05.11.2026, hence,	DOCUMENT [License issued competent R-3 by authority valid till 05.11.2026] (Pg. 113-115)



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		the allegation that the equipment was unsafe and unusable for the patients is a false and a malicious statement to somehow create a breach in spite of a valid license, issued by the AERB authority.	
	8(b)@ Pg. 12: The Philips RES MX16 achieved end of life status on 31.12.2025 and the same was intimated Respondent	The RSA nowhere mandates the Petitioner to convey this information to not the Respondents, however when the information was sought on 18.12.2025, the same was promptly replied to on the same date itself along with supporting.	DOCUMENT R-3 [Email dt. 18.12.2025 issued by Mrs. Dolly Sharma to the Respondent] (Pg. 110) DOCUMENT - 7 [email dt. 18.12.2025, sent by the Respondent to the Petitioner]
	Since the machine has reached end of life, it will not be serviced anymore	DOCUMENT R-4 as relied on by the Respondents nowhere states that the manufacturer will not service the machine. What it clearly states is that the manufacturer will provide support to the best of its ability however the same would be dependent on parts availability. It is nowhere written that the machine will not be serviced at all. In	DOCUMENT R-4 [End of life notice dated 1.08.2025 sent by the manufacturer] (Pg. 174)



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		fact, the manufacturer stated that it will continue to honour the service agreement subject to the above. The document relied on nowhere states that the machine has become unusable/unsafe. End of Life does not mean the end of clinical life of an equipment.	
	8(c) @Pg. 12: The CT machine has stopped functioning since 28.12.2025.	The Petitioner had itself informed the Respondents about the breakdown of the CT machine and further it was informed vide dated 22.12.2025 that email the Petitioner is in the process of ordering a new CT machine in order to replace the existing MX-16 machine. It was further informed that in the interim, CT scans of the patients will be done in other centres of the Petitioner, in compliance with Clause 4.2 of the RSA.	DOCUMENT -9 [Email 22.12.2025] (Pg.330 @332) DOCUMENT 10 [Purchase Order of the new CT machine dt. 23.12.2025] (Pg. 335) DOCUMENT R-5 [WhatsApp dated issued message 30.12.2025 the Petitioner] (Pg. 175)
	8(d) @Pg. 12: The Petitioner was asked in continuation of	The Respondent was well aware in advance regarding the new CT machine	DOCUMENT 9 [Email dt. 22.12.2025] (Pg. 330 @ 332);



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	the Termination Notice period on 07.01.2026 and was asked to remove the said CT machine, in order to let the Respondent make the alternate arrangements.	being ordered vide communications dated 22.12.2025, 02.01.2026 and email sent by Dr. Vaze prior to the communication dated 07.01.2026. Incorrect date of breakdown is mentioned as the same could be confirmed Respondents letter from dated 07.01.2026 wherein they have clearly breakdown 30.12.2025.	DOCUMENT R-10 [Response to email dated 27.12.2025] (Pg. 219@228) DOCUMENT 15 [Email dt. 07.01.2026 sent by the Petitioner to the Respondent] (Pg. 378) DOCUMENT 16 [letter dated 07.01.2026 sent by the Respondent] (Pg. 380)
	8(f) @Pg. 13: The machine has not underwent any preventive and corrective maintenance and further Philips has clearly not rendered any such service.	Customer Service Reports of Philips dt. 31.12.2025 which clearly evidence the preventive and corrective maintenance undertaken by the Petitioner. Even prior to the same the preventive and corrective maintenance has taken place at all times service reports dt. 31.12.2025, 21.08.2025, 24.02.2025, 02.02.2025, 05.06.2024, 28.05.2024 and 04.01.2024 attached. Further the preventive and corrective services printed by the	DOCUMENT P-4 [Customer service Report] DOCUMENT P-3 [PMS Reports]



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		manufacturer 25.08.2025, dated 14.02.2025, 05.08.2024, 06.01.2024 so as to answer the respondents allegation that the same was never conducted by the petitioner is attached here as DOCUMENT B	
	8(g) @Pg. 13: The Petitioner has suppressed the request 12.01.2026 letter dt. and permission for sale and transfer dated 19.01.2026 obtained from the appropriate authority	There is no suppression as the Petitioner was nowhere mandated under the agreement to intimate to the respondent. information been sought by Whenever has the Respondents, the same has been provided by the Respondent. Further such a permission is required and mandated as per Rules 3a of the PC- PNDT Rules, 1994 which the Petitioner has scrupulously followed.	DOCUMENT R-6 [Request for sale and transfer of CT machine to the appropriate authority vide letter dt. 12.01.2026] (Pg. 176) DOCUMENT R-7 [Permission for sale and transfer of the CT machine issued by appropriate authority vide letter dt. 19.01.2026] (Pg. 178)
	8(j)@ Pg. 14- 15: In accordance with Rule 13 of the PC-PNDT Rules, at least 30 days advance notice is to be given	The Petitioner is in due compliance with the Rule 13 of the PC-PNDT Rules as the delivery at site is subjected to the statutory clearance. In furtherance, to the	DOCUMENT 15 [Email dt. 07.01.2026] (Pg. 378) DOCUMENT P-5



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	statutory to the authorities before replacement of any equipment, same was not given with regard to the Purchase order	Purchase Order dated 23.12.2025, the Petitioner has informed the Respondents vide email dated 05.02.2026. Wherein, the Petitioner has attached the intimation letter dated 05.02.2026, and intimated the Respondent about the availability of the new CT machine and same to be installed at Premises by the Hospital 09.02.2026 subject to their coordination to which the Respondent hasn't responded as of 06.02.2026	
	9 @Pg. 15-16: The Petitioner has been using end of life and end of support equipment in breach of its duties and obligations,	The allegations made by the Respondents are unsupported and mere speculations without any contractual or statutory support, with reference to the end of life notice (DOCUMENT R-4 @ Pg. 174) as relied upon by the Respondent also finds no mentioning that the said equipment is not usable or is unsafe.	
GE Logiq	1 l(b)@Pg. 17:	It is nowhere stated	DOCUMENT 18 .



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E9 Ultrasound (S. No. 200239US5)	The equipment has achieved end of Life status in March, 2025 as declared by the supplier Wipro GE Healthcare Pvt. Ltd. and full support cant be provided to machine	in the mentioned letter that the said machine should be replaced after March 2025, it only states that it cannot guarantee spare part availability and full maintenance support without any reference to the usability or safety of the equipment in the event of continued use post March 2025.	(COLLY) [Letter for installation dated 08.06.2016] (Pg.418) DOCUMENT R-9 [letter dt. 23.02.2023 sent by Wipro GE Healthcare Pvt. Ltd.] (Pg. 218)
	11(c)-(d) @ Pg. 17-18: The Petitioner did not dispute the fact that the said machine has achieved end of life status. The Petitioner alleged that this machine provides optimal functioning, is in operation and is duly maintained.	The petitioner is in no way barred from using the said equipment if the same is compliant with the applicable laws as evidenced vide the PC-PNDT certificate and the same being issued by the appropriate authority.	DOCUMENT 18 (COLLY) [PC-PNDT CERTIFICATE valid till 27.04.2026] (Pg. 425)
	11 (e) @Pg. 18: The Petitioner has suppressed its response dated 02.01.2026, which was an attachment to its email dated	The Petitioner has not suppressed the response dated 02.01.2026 as the supports the same Petitioner's case. However, the attachment was inadvertently missed	DOCUMENT R-10 [Petitioner's Reply dated 02.01.2026 to the Respondent No.1 email dated 27.12.2025] (Pg. 219@226)



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	02.01.2026.	out by the Petitioner, the same has been evidently attached by the Respondents in its reply as Document No. R-10. The same supports the Petitioner's case.	
	ll(g) @Pg. 18: Continued use of the said machine post its attainment of the End of Life is in breach of Clauses 2.1 and 2.3	No statutory or contractual obligations state that the use of the said equipment unreliable or unsafe to the patients. 1s These are mere speculation without any basis whether statutory or contractual.	
Philips En Visor CHD Ultrasound (S. No. US7050669 4)	12 (c)@ Pg. 19: Petitioner that informed despite equipment this having achieved end of life status, no steps were taken by the Petitioner to get a new equipment	No statutory or contractual obligations state that the use of the said equipment unreliable or unsafe to the patients.	DOCUMENT [Principles Practices R-8 and for the Cyber Security of Legacy Medical Devices, 2023] (Pg. 179)
	12(d)@ Pg. 19-20: The petitioner did not dispute the fact that the said machine has achieved end of life and stated that	The achievement of the End of-Life status doesn't in any way affects the usability and safety of the said equipment, the said machine decommissioned permission letter was	DOCUMENT 18 (COLLY) [permission for sale and transfer dated 02.07.2024] (Pg. 414) DOCUMENT 18 (COLLY) [non-returnable gate



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	machine was not in use since many years and was disposed of as per PC-PNDT has produced permission dated 02.07.2024 intimation dated 05.07.2024	vide dated 02.07.2024 issued by the appropriate authority, further the machine has been transferred to M/S Calyx Infotech and Services and intimation regarding the same could also be evidenced vide non-returnable gate pass dated 05.07.2024 Issued by the Respondent No. 1 itself.	pass dated 05.07.2024 Issued by Respondent No.1] (Pg. 416)
	12(e)@ Pg. 20: Certificate of Registration page 425 of the present petition reveals that the said equipment was deleted from the said certificate more than 10 months physically over after handing over the said equipment to M/s Calyx Infotech Services on 05.07.2024.	The Petitioner has intimated the appropriate authority about the handing over of the said equipment to M/s Calyx Infotech Services vide letter dated 03.07.2024, the delay in the deletion certificate attributable to the administering processing by the appropriate authority which is beyond the control of the Petitioner.	DOCUMENT 18 (COLLY) [Intimation letter dated 03.07.2024] (Pg. 415)
Siemens Heliophos-D X-Ray	13(a)-(e) @ Pg. 21-23: The said equipment was last serviced by the supplier	The petitioner regularly services the equipment as and when required, servicing of the said	DOCUMENT 18 (COLLY) [intimation for decommissioning to the competent



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	Siemens on 17.06.2021 and thereafter third party namely M/s Healthline Engineers.	equipment has always been conducted by an AERB authorized agency i.e. M/s Bionation Imaging Pvt. Ltd., further, contractual there or is no statutory obligation upon the Petitioner to get the servicing of the equipment done only through the manufacturer, these servicing have nothing to do with the machine said achieving end of life. Further the said servicing is with regard through Mis Bionation Imaging Pvt. Ltd. could also evidenced through the QA report dated 25.07.2025 as attached in the petition @ pg. 426.	authority dt. 14.08.2025] (Pg. 395) DOCUMENT R-12 [SERVICE REPORT dt. 15.06.2021 & 17.06.2021] (Pg. 229) DOCUMENT P-6 [M/s Bionation AERB license] DOCUMENT 18 (COLLY) [Quality Assurance report prepared by M/s Bionation Imaging Pvt. Ltd. Dt. 28.07.2025] (Pg. 426)
Allengers MAR S-40 X-Ray	14 @ Pg. 23-24 The Petitioner on 20.01.2026 requested Respondent No. 1 to allow the Fujifilm Engineer for maintenance of the Xray system. M/s Fujifilm are not an approved servicing	The information about the 20.01.2026 has communication been wrongfully misrepresented by the Respondent as the same could be evidenced vide email dt. 20.01.2026 as attached by the Respondents as DOCUMENT R-14 @ 235, the communication	DOCUMENT R-14 [Email dt. 20.01.2026] (Pg. 237) DOCUMENT 18 (COLLY) [AERB valid License 14.08.2030] (Pg. 397)



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	agency the same is a statutory violation	clearly states that the said agency has been contacted for essential functioning and maintenance CR system of X-ray equipment and not AERB related servicing, this statement has been knowingly misrepresented in order to misled the court.	
GE Logiq E9 (S. No. 200230US5)	17 @ Pg. 26: The petitioner claims that the intimation for installation of the said equipment is at page 418 of the Petition, however, the machine referred to in that email is GE model Logiq E9 serial No. 1-5960363147 installed on 31.05.2016 is currently working at the Respondent No.1 hospital. There is no other ultrasound machine model Logiq E9 shown in the	There has been a typographical error in the serial number of the machine in the list attached in the email dated 18.12.2025, further it stated the correct serial number of the machine is 200230US5 and the said machine has been installed at the Hospital premises vide letter dated 08.06.2016 and remains fully functional and currently in use at the hospital. The ultrasound machine model Logiq E9 bearing serial no. 200230US5 is currently installed at the Hospital premises and the same is included in the PC-PNDT	DOCUMENT 18 (COLLY) [intimation letter dt. 08.06.2016] (Pg. 418) DOCUMENT 18 (COLLY) [PC-PNDT CERTIFICATE] (Pg. 425)



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	said list. Further the PC-PNDT certificate doesn't find mentioning of the said machine.	certificate, further the Respondent through these confusing statements is trying to misled the Hon'ble Court.	
Sonoscape P-20 Doppler (S. No. 916)	18 @Pg. 27-29: Prior intimation for installation was given on 30.09.2024 and it was installed 07.10.2024 which shows the said equipment was installed within 7 days of intimation which is a clear violation of Rule 13 of the PC-PNDT Rules 30 days advance notice	The said machine was installed at the hospital premises only after obtaining all the statutory approvals and due intimation was given to the appropriate authority of the said change, the delay in the addition of the said machine is purely attributable to the administrative processing by the authority. Moreover, the Hon'ble Delhi High Court in W.P. (C) 4009 of 2012 (Indian Radiological and Imaging Association (IRIA) Vs. Union of India and Medical Council of India) held that condition of an advance of 30 days as per Rule 13 of the PC-PNDT Rules, 1996 is onerous, and further directed an arrangement qua Rule 13 to be made wherein for every	DOCUMENT (COLLY) [Intimation letter dt. 07.10.2024] (Pg. 417) DOCUMENT P-2 [letter dated 16.10.2012 along with the attached order (W.P. (C) 4009 of 2012 (Indian Radiological Imaging and Association (IRIA) Vs. Union of India and Medical Council of India))]



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		change in place, equipment and address an advance notice of seven days be given to the Appropriate Authority and for every change in employee intimation can be given within 7 days of such change. The Court also held that a delay on the part of the Appropriate Authority in incorporating the change and re-issuing the certificate would not prevent the concerned clinics from effecting the change in place address of the equipment after a lapse of seven days and to continue with their activities.	
GE Voluson E8 Expert (S. No. D00527)	19 @Pg. 29-30: The equipment was registered two months after the installation which is in violation of rule 18 (1) read with rule 13 of the PC-PNDT Rules	The petitioner had duly obtained the said equipment vide letter dt. 18.04.2022, further the same was installed at the Hospital premises only post the installation intimation dt. 26.04.2022, thus the Petitioner has completed the due compliance and only after that installed the	DOCUMENT 18 (COLLY) [Permission dated 18.04.2022 intimation installation 26.04.2022] (Pg. 423-424)



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		said equipment. The delay in the addition of the said machine in the PC-PNDT certificate is purely attributable to the administrative processing by the authority and as per Indian Radiological and Imaging Association (IRIA) Vs. Union of India and Medical Council of India (Supra) the same would not prevent the concerned clinics from effecting the change in place address of the equipment after a lapse of seven days and to continue with their activities.	
Mindray M7 (S. No. NW420037 58)	21 @Pg. 31-32: The Petitioner had obtained the permission for sale and transfer from the authority vide letter dated 02.07.2024, it was further sold to M/s Calyx Infotech Services on 05.07.2024, the said equipment was deleted	The with petitioner had obtained the permission for sale and transfer from the authority vide letter dated 02.07.2024, intimation letter for the sale and transfer of the said machine was sent on 03.07.2024 and the non-returnable gate pass was issued by the Respondent No.1 on 05.07.2024, this clearly shows that the lawfully transferred the said machine and	DOCUMENT 18 (COLLY) [Permission for sale and transfer dt. 02.07.2024, intimation for sale and transfer dt. 03.07.2024, Non-returnable gate 05.07.2024 issued by Respondent No.1] (Pg. 414-416)



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	from the PC-PNDT certificate on 22.05.2025 which after more than 10 months post the sale	not used it thereafter. The delay in the deletion of the said machine in the PCPNDT certificate is purely attributable to the administrative processing by the authority and as per Indian Radiological and Imaging Association (IRIA) Vs. Union of India and Medical Council of India (Supra) the same would not prevent the concerned clinics from effecting the change in place address of the equipment after a lapse of seven days and to continue activities.	
Philips IU22 (S. No. B05P8L)	22 @Pg. 32-33: The Petitioner had obtained the permission for sale and transfer from the authority vide letter dated 02.07.2024, it was further sold to M/s Calyx Infotech Services on 05.07.2024, the said equipment was deleted	The petitioner had obtained the permission for sale and transfer from the authority vide letter dated 02.07.2024, intimation letter for the sale and transfer of the said machine was 03.07.2024 and the non-returnable gate pass was issued by the Respondent No.1 on 05.07.2024, this clearly shows Respondent has lawfully transferred the said machine and	DOCUMENT 18 (COLLY) [Permission for sale and transfer dt. 02.07.2024, intimation for sale and transfer dt. 03.07.2024, Non-returnable pass dt. 05.07.2024 issued by Respondent No.1] (Pg. 414-416)



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	from the PCPNDT certificate on 22.05.2025 which after more than 10 months post the sale	not used it thereafter. The delay in the deletion of the said machine in the PC-PNDT certificate attributable is purely to the administrative processing by the authority and as per Indian Radiological and Imaging Association (IRIA) Vs. Union of India and Medical Council of India (Supra) the same would not prevent the concerned clinics from effecting the change in place address of the equipment after a lapse of seven days and to continue activities.	
Sonoscape P-20 (S. No. 295)	23 @ Pg. 33-34: The said equipment was handed over to M/s Sonoscape Medical India Pvt. Ltd. by the Petitioner vide permission for sale and transfer dt. 11.12.2024, the said equipment was deleted from the PC-PNDT certificate only on 22.05.2025,	The petitioner had obtained the permission for sale and transfer from the authority vide letter dated 11.12.2024, intimation letter for the sale and transfer of the said machine was sent on 13.12.2024 and the non-returnable gate pass was issued by the Respondent No.1 on 13.12.2024, this clearly shows that the Respondent has lawfully transferred	DOCUMENT 18 (COLLY) [Permission for sale and transfer dt. 11.12.2024, intimation for sale and transfer dt. 13.12.2024, Non-returnable pass dt. 13.12.2024 issued by Respondent No.1] (Pg. 419-421)



	which is more than 5 months after the permission for sale and transfer was obtained by the Petitioner which is a clear violation of the PC-PNDT Rules.	the said machine and not used it thereafter. The delay in the deletion of the said machine in the PC-PNDT certificate is purely attributable to the administrative processing by the authority and as per Indian Radiological and Imaging Association (IRIA) Vs. Union of India and Medical Council of India (Supra) the same would not prevent the concerned clinics from effecting the change in place address of the equipment after a lapse of seven days and to continue with their activities.	
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41. This Court is of the opinion that, at this stage, while exercising jurisdiction under Section 9 of the A&C Act and bearing in mind the limited compass of such jurisdiction as noticed in the preceding paragraphs, there arises no occasion to enter into these issues which are purely on the merits of whether or not the Impugned Termination Notice could have been issued.

42. In the aforesaid backdrop, this Court consciously refrains from embarking upon a detailed examination of the merits of the various allegations levelled by the parties, as such an inquiry would trench upon issues that properly fall within the domain of the Arbitral Tribunal. At this stage, it suffices to observe that, even assuming



disputes exist with respect to the functioning of the machines, as contended by the Respondents, the resolution of such disputes must strictly conform to the procedure contractually agreed between the parties.

43. The Agreement, as between the parties, clearly stipulates, under Clause 10, that in the event of an alleged material breach, a prior notice is required to be issued specifying the breach complained of, followed by a stipulated cure period of 45 days to enable rectification or removal of such breach. Termination, therefore, is not an immediate or unilateral remedy, but one conditioned upon compliance with the agreed mechanism.

44. In the present case, even proceeding on an *arguendo* basis that certain deficiencies existed in relation to the machines, the Respondents were nonetheless bound to adhere to the termination mechanism embodied in Clause 10 of the Agreement. The proper course would have been to issue a notice identifying the alleged material breach and affording the Petitioner the contractually mandated opportunity to cure the same within the prescribed period. It is only upon failure to rectify such breach within the stipulated time that the right to issue a Termination Notice could have arisen.

45. As rightly contended by learned Senior Counsel for the Petitioner, there could be no occasion for a unilateral determination by the Respondents that the alleged defects were incurable, particularly in the absence of compliance with the contractual cure mechanism. Such a determination, without affording the Petitioner the agreed opportunity to remedy the alleged breach, would be contrary to the express terms of the Agreement.

46. In the considered opinion of this Court, the impugned act of



termination appears to have been effected in undue haste, placing the cart before the horse, and is *prima facie* not in consonance with the procedure and safeguards expressly incorporated in the Agreement.

47. Consequently, in view of the foregoing discussion and the *prima facie* findings recorded hereinabove, this Court is of the considered opinion that the relief sought by the Petitioner for staying the operation and effect of the Impugned Termination Notice deserves to be granted. The Respondents are, accordingly, directed to strictly comply with and adhere to the terms and conditions of the Agreement, including the procedure and safeguards expressly stipulated therein with respect to termination.

48. At this interlocutory stage, the material placed on record *prima facie* indicates a departure from, and non-adherence to, the termination mechanism prescribed under Clause 10 of the Agreement. The contractual requirement of issuance of notice specifying the alleged material breach, coupled with the grant of a stipulated cure period, does not appear to have been complied with in its true letter and spirit. A *prima facie* case is thus made out, warranting the exercise of this Court's jurisdiction under Section 9 of the A&C Act.

49. Further, if the Impugned Termination Notice is permitted to operate during the pendency of the arbitral proceedings, if any, the consequences to the Petitioner would be both immediate and far-reaching. The Agreement in question admittedly subsists for a substantial unexpired tenure of approximately five years, during which the Petitioner is entitled to perform its contractual obligations and derive the corresponding commercial benefits.

50. In the considered opinion of this Court, a premature termination at this stage would effectively divest the Petitioner of these valuable



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contractual rights without the disputes having been adjudicated on merits by the Arbitral Tribunal. Such a course would not only disturb the contractual equilibrium between the parties but may also render the arbitral process itself illusory in practical terms, inasmuch as the subject matter of the dispute would stand irreversibly altered before a final determination is rendered.

51. The balance of convenience, therefore, clearly tilts in favour of preserving the *status quo* and maintaining the contractual relationship pending adjudication. If interim protection is declined, in view of the foregoing discussions, and the termination is allowed to take effect, the Petitioner would suffer consequences that may not be capable of complete restitution even if it ultimately succeeds.

52. In addition to financial implications, the Petitioner has demonstrated a credible apprehension of serious prejudice to its reputation, goodwill, and commercial standing as a premier agency engaged in the provision of diagnostic services. Such reputational harm, once occasioned, is inherently intangible and cannot be adequately measured or compensated in monetary terms. The element of irreparable injury is thus clearly established, warranting protective intervention at this stage.

DECISION:

53. In view of the aforesaid analysis and findings, the Impugned Termination Notice is stayed. The parties are directed to maintain *status quo* with respect to the operation, implementation, and performance of the Agreement as it stood immediately prior to the issuance of the said Termination Notice.

54. At this stage, it is clarified that nothing contained in this



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Judgment shall be construed as an expression of any final opinion by this Court on the merits of the disputes between the parties. The observations made herein are confined solely to the adjudication of the present Petition and shall not be understood as a determination of the substantive issues.

55. Accordingly, all rights and contentions of both parties are kept open and expressly reserved to be urged before the appropriate forum, in accordance with law.

56. In view thereof, the present petition, along with the pending application, stands disposed of in the aforesaid terms.

57. No orders as to cost.

HARISH VAIDYANATHAN SHANKAR, J.
FEBRUARY 26, 2026/tk/sm/her